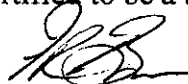


AGREEMENT
BETWEEN
THE DEPARTMENT OF DEFENSE OF
THE UNITED STATES OF AMERICA
AND THE
MINISTRY OF DEFENSE OF THE
REPUBLIC OF ITALY
FOR THE
JOINT STRIKE FIGHTER (JSF)
SHORT TAKE-OFF, VERTICAL LANDING
SHIP INTEGRATION RISK MITIGATION
AND
CONVENTIONAL TAKE-OFF AND
LANDING/SHORT TAKE-OFF AND VERTICAL
LANDING OPERATIONAL ASSESSMENT PROJECT

Certified to be a true copy of the original



F. R. Beer, Navy IPO 01/03C, 1 March 1999

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PREAMBLE

The Department of Defense (DOD) of the United States of America and the Ministry of Defense (MOD) of the Republic of Italy, hereinafter referred to as the "Parties":

Having a common interest in defense;

Recognizing the Parties' long-standing relationship through the North Atlantic Treaty Organization (NATO) and successful cooperation with major defense programs;

Recognizing the Parties' respective operational needs for an affordable, maintainable, advanced strike fighter aircraft;

Recognizing the benefits to be obtained from the standardization, rationalization, and interoperability of military equipments;

Desiring to improve their mutual conventional defense capabilities through the application of emerging technology; and

Desiring to pursue a Joint Strike Fighter (JSF) Short Take-Off and Vertical Landing (STOVL) Ship Integration Risk Mitigation and Conventional Take-Off and Landing (CTOL)/STOVL Operational Assessment Project which will provide the Parties with insight into the requirements and trade studies associated with the process for JSF Joint Initial Requirements Documents (JIRDs) and JSF Operational Requirements Documents (JORDs) of the JSF Program;

Have agreed as follows:

ARTICLE I

DEFINITIONS

The Parties have agreed upon the following definitions for terms used in this Agreement:

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| Classified Information | Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. |
| Contract | Any mutually binding legal relationship which obligates a Contractor to furnish supplies or services, and obligates one or both of the Parties to pay for them. |
| Contracting | The obtaining of supplies or services by Contract from sources outside the government organizations of the Parties. Contracting includes description (but not determination) of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration. |
| Contracting Agency | The entity within the government organization of a Party, which has authority to enter into, administer, and/or terminate Contracts. |
| Contracting Officer | A person representing a Contracting Agency of a Party who has the authority to enter into, administer, and/or terminate Contracts. |
| Contractor | Any entity awarded a Contract by a Party's Contracting Agency. |
| Controlled Unclassified Information | Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this Agreement, the information shall be marked to identify its "in confidence" nature. It could include information which has been declassified, but remains controlled. |
| Cost Ceiling | The maximum amount of Financial Costs which shall be dedicated to work under this Agreement. |
| Defense Purposes | Manufacture or other use in any part of the world by or for the armed forces of either Party. |
| Designated Security Authority (DSA) | The security office approved by national authorities to be responsible for the security aspects of this Agreement. |

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| Financial Costs | Monetary contributions to the Project, the value of which are considered part of Project costs. |
| Financial Policies and Procedures Document | A document that provides a detailed description of the financial management procedures under which the Project shall operate. |
| JSF Program | Current or future efforts to achieve next-generation strike weapons systems, consisting of DOD's JSF Concept Demonstration Phase (including, but not limited to, STOVL ship integration risk mitigation and CTOL/STOVL operational assessments), Engineering and Manufacturing Development (E&MD), production, and support efforts. |
| JSF Program Concept Demonstration Phase | That portion of the overall JSF Program involving two weapons system Contracts to define a family of operational air vehicles and demonstrate through ground and flight tests those critical technologies essential to reducing risk prior to selection of a single JSF conceptual design for transition to E&MD. |
| JSF STOVL Ship Integration Risk Mitigation and CTOL/STOVL Operational Assessment Project | The DOD-MOD cooperative JSF STOVL ship integration risk mitigation and CTOL/STOVL operational assessment efforts described in this MOA, which are hereinafter referred to as the "Project". These activities are a subset of JSF Program activities. |
| Non-financial Costs | Non-monetary contributions to the Project, the value of which are considered part of Project costs. |
| Patent | Legal protection of the right to exclude others from making, using, or selling an invention. The term refers to any and all patents including, but not limited to, patents of implementation, improvement, or addition, petty patents, utility models, appearance design patents, registered designs, and inventor certificates or like statutory protection as well as divisions, reissues, continuations, renewals, and extensions of any of these. |
| Preferred Weapon System Concept (PWSC) | A notional JSF aircraft designed and developed by a JSF Program Contractor. |
| Project Background Information | Information not generated in the performance of the Project, except as otherwise provided in paragraph 9.1.b. of Article IX (Disclosure and Use of Project Information). |
| Project Equipment | Any material, equipment, end item, subsystem, component, special tooling or test equipment jointly acquired in or provided to the Project. |
| Project Foreground Information | Project Information generated in the performance of the Project, except as otherwise provided in paragraph 9.1.b. of Article IX (Disclosure and Use of Project Information). |

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| Project Information | Any information provided to, generated in, or used in this Project regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, designs, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form and whether or not subject to copyright, Patent, or other legal protection. |
| Project Invention | Any invention or discovery formulated or made (conceived or first actually reduced to practice) in the course of work performed under a Project. The term first actually reduced to practice means the first demonstration, sufficient to establish to one skilled in the area to which the invention pertains, of the operability of an invention for its intended purpose and in its intended environment. |
| Then Year U.S. Dollars | A figure, based initially on U.S. fiscal year 1996 dollars, that takes into account all variations in inflation over the life of the Project. |
| Third Party | A government other than the government of a Party and any person or other entity whose government is not the government of a Party. |

ARTICLE II

OBJECTIVES

2.1. The objectives of this Project are to:

2.1.1. Perform mutually beneficial STOVL ship integration risk mitigation tasks and JSF CTOL/STOVL operational assessment tasks in order to enhance Italian and U.S. interoperability.

2.1.2. Facilitate initial industrial contacts, recognizing that identification and pursuit of JSF industrial opportunities shall be conducted on an industry-to-industry basis.

2.1.3. Provide the Parties with Project Information, including appropriate Project Background Information from the JSF Program, for use in their national decision-making processes to determine the feasibility of future cooperation.

ARTICLE III

SCOPE OF WORK

3.1. The work to be performed under this Agreement includes:

3.1.1. Perform the following STOVL ship integration risk mitigation tasks:

3.1.1.1. Characterize STOVL JSF jet plume. Measure temperature and pressure level in the jet plume to assess the impact on the operating environment.

3.1.1.2. Characterize STOVL JSF induced operating environment. Measure temperature, pressure, and acoustic levels in the out-wash flow field to define the operating environment for ground personnel, support equipment, and other aircraft.

3.1.1.3. Determine parameters for an optimized short take-off (STO) ramp configuration. Develop a modeling and analysis tool, using an AV-8B case, to accurately predict STO ramp parameters, aircraft structural loading, and aero performance at various environmental conditions and aircraft configurations.

3.1.1.4. Research technologies and develop design concepts for a next generation retractable/reconfigurable STO ramp. Conduct feasibility studies to determine technologies associated with such an STO ramp which could be integrated on JSF-compatible ships.

3.1.1.5. Assess STOVL Preferred Weapon System Concept (PWSC)/Italian shipboard physical compatibility. Determine JSF PWSC compatibility with legacy and future ship platforms to ensure U.S. and Italian Navy interoperability.

3.1.1.6. Determine erosion characteristics of landing surface materials. Measure time to surface failure as a function of jet pressure and temperature.

3.1.2. Perform the following CTOL/STOVL operational assessment tasks:

3.1.2.1. Examine and discuss JSF operational employment and supportability concepts on future interoperability. /

3.1.2.2. Examine and discuss the interoperability aspects of JSF JIRDs.

3.1.2.3. Examine and discuss the interoperability aspects of JSF JORDs.

3.1.2.4. Conduct a CTOL/STOVL mix study to determine the operational

employment impact of a mixed force of CTOL/STOVL aircraft.

3.1.3. Facilitate technical and industrial opportunities for participation by Italian industry in the overall JSF Program Concept Demonstration phase by sponsoring industry days wherein the Parties' industries are made aware of each other's technological and industrial potential.

3.2. The Project efforts described in paragraph 3.1. shall be conducted in accordance with the Parties' respective national disclosure policies, taking into account existing North Atlantic Treaty Organization (NATO) cooperation in the formulation of alliance military strategies, concepts of operations, and operational objectives. Efforts associated with signature control of JSF PWSC are specifically excluded from this Agreement.

ARTICLE IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. The JSF Program shall be directed by the DOD JSF Program Director (JSF PD) who heads the JSF Program Office. A JSF Executive Committee (EC) shall be established, with oversight responsibility for the Project. The EC shall consist of the following representatives (or their equivalents in the event of reorganization):

DOD: JSF Program Director or designated representative

MOD: TBD or designated representative

4.2. The EC shall meet semi-annually. If desired, additional EC meetings may be held upon mutual consent of the EC representatives. Each meeting of the EC shall be chaired by the representative of the Party hosting the meeting, unless otherwise mutually decided by the EC. Representatives of the EC may be assisted by such additional personnel as they choose. The responsibility for hosting meetings of the EC shall alternate among the Parties, unless otherwise mutually decided by the EC. EC decisions shall be unanimous.

4.3. The EC shall be responsible for:

4.3.1. Exercising executive level oversight of Project efforts under this Agreement.

4.3.2. Reviewing progress towards accomplishing the Project as defined in this Agreement, including reviewing the semi-annual status reports presented by the JSF International Directorate (JSF/ID) Project Manager (PM) and JSF/ID Italian Deputy.

4.3.3. Approving the Project's Financial Policies and Procedures Document (FPPD) and updates thereto, and reviewing the financial status of the Project to ensure compliance with the provisions of Section V (Financial Arrangements).

4.3.4. Identification and review of plans regarding future JSF cooperation.

4.3.5. Prompt appraisal and consultation on any matters that affect the Project and resolution of any issues brought forth by the Director, JSF/ID.

4.3.6. Monitoring Third Party sales and transfers authorized in accordance with Article XIII (Third Party Sales and Transfers and Alternative Uses).

4.3.7. Maintaining oversight of the security aspects of the Project, including reviewing and obtaining approval from the appropriate Designated Security Authorities (DSAs) of a Project

Security Instruction and a classification guide prior to the transfer of Classified Information or Controlled Unclassified Information.

4.3.8. Providing recommendations to the Parties for the admission of additional nations in accordance with Article XV (Participation of Additional Nations).

4.3.9. Reviewing and forwarding to the Parties for approval recommended amendments to this Agreement in accordance with Article XVIII (Amendment, Termination, Entry into Force, and Duration).

4.3.10. Approving changes to Annex A (Project Management Structure) and Annex B (JSF/ID Italian Deputy Terms of Reference).

4.4. The Project management organization is depicted in Annex A (Project Management Structure). The Director, JSF/ID shall be responsible for implementation of this Agreement. The JSF/ID PM shall be responsible for day-to-day management and direction of Project activities in accordance with paragraph 4.5. The JSF/ID Italian Deputy will be responsible for assisting the JSF/ID PM in the day-to-day management and direction of Project activities in accordance with paragraph 4.6. and Annex B (JSF/ID Italian Deputy Terms of Reference).

4.5. The JSF/ID PM shall be responsible for:

4.5.1. Managing the cost, schedule, performance requirements, technical, and financial aspects of the Project described in this Agreement.

4.5.2. Preparing and presenting semi-annual status reports to the EC in conjunction with the JSF/ID Italian Deputy.

4.5.3. Developing and submitting the FPPD to the EC for approval, and at least annually, reviewing the FPPD and proposing updates to the EC for approval.

4.5.4. Executing the financial aspects of the Project in accordance with Article V (Financial Provisions) of this Agreement and the FPPD.

4.5.5. Preparing a Project Security Instruction and a classification guide.

4.5.6. Developing and recommending amendments to this Agreement to the EC.

4.5.7. Developing and recommending plans for future cooperation in the JSF E&MD, production and support phases to the EC, as appropriate.

4.5.8. Referring issues that cannot be resolved by the Director, JSF/ID to the EC (via the Director, JSF/ID).

4.5.9. Performing EC administrative support functions and providing the EC with information describing the status and progress of the Project during EC meetings.

4.5.10. Performing other tasks as may be assigned by the Director, JSF/ID.

4.6. The JSF/ID Italian Deputy shall be responsible for:

4.6.1. Representing MOD on all Project matters.

4.6.2. Monitoring and participating in Project work efforts, and assisting the JSF/ID PM in fulfilling his responsibilities for the management of the cost, schedule, performance requirements, technical and financial aspects of the Project.

4.6.3. Preparing and presenting semi-annual status reports to the EC in conjunction with the JSF/ID PM.

4.6.4. Assisting in developing and updating the FPPD.

4.6.5. Assisting in preparing a Project Security Instruction and a classification guide.

4.6.6. Advising on and recommending amendments to this Agreement.

4.6.7. Assisting in the development of plans for future cooperation in the JSF E&MD, production, and support phases to the EC, as appropriate.

4.6.8. Performing other tasks as may be assigned by the Director, JSF/ID.